

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE MIDDLE DISTRICT OF TENNESSEE

IN RE:	}	
	}	Case No. 3:17-bk-04932
STEPHEN JETTON TAYLOR	}	Chapter 13
SSN: xxx-xx-1340	}	
	}	Judge Charles M. Walker
	}	
Debtor,	}	
	}	
Stephen Jetton Taylor,	}	
	}	
Plaintiff/Appellant,	}	
	}	
v.	}	Adv. Proc. No. 3:18-ap-90060
	}	
	}	
Loancare, Inc.	}	
	}	
	}	
Defendant.	}	

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**THE DEADLINE FOR FILING A TIMELY RESPONSE IS:** May 27, 2021  
**IF A RESPONSE IS TIMELY FILED, THE HEARING WILL BE:** Wednesday,  
June 9, 2021 at 11:00 AM via AT&T conference line number 1-888-363-4749, Access  
Code 7250422#

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NOTICE OF MOTION TO APPROVE SETTLEMENT AGREEMENT

The Debtor has asked the Court for the following relief: Approval of Settlement  
Agreement

**YOUR RIGHTS MAY BE AFFECTED.**

If you do not want the court to grant the attached motion by entering the attached order, or if you want the court to consider your views on the motion, then on or before the response date stated above, you or your attorney must:

1. File with the court your response or objection explaining your position. Please note: The Bankruptcy Court for the Middle District of Tennessee requires electronic filing. Any response or objection you wish to file must be submitted electronically. To file electronically, you or your attorney must go to the court website and follow the instructions at: <<https://ecf.tnmb.uscourts.gov>>.

If you need assistance with Electronic Filing you may call the Clerk's Intake Department at (615)736-5584.

2. Your response must state the deadline for filing responses, the date of the scheduled hearing and the motion to which you are responding.

3. You must also mail a copy of your response to:

Flexer Law PLLC, 1900 Church Street, Suite 400, Nashville, TN 37203, and see Certificate of Service for additional parties to serve (attached hereto).

If a response is filed before the deadline stated above, the hearing will be held at the time and place indicated above. THERE WILL BE NO FURTHER NOTICE OF THE HEARING DATE. You may check whether a timely response has been filed by viewing the case on the court's website at <<https://ecf.tnmb.uscourts.gov>>.

If you or your attorney does not take these steps, the court may decide that you do not oppose the relief sought in the motion and may enter the attached order granting that relief.

Date: 05/5/2021

Signature: /s/ Daniel T. Castagna

Name: Flexer Law PLLC

Address: 1900 Church Street, Suite 400, Nashville, TN 37203

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**MOTION TO APPROVE SETTLEMENT AGREEMENT**

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Comes now the Debtor/Appellant, Stephen J. Taylor, by and through Counsel, pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure, and respectfully requests an order approving the Settlement Agreement between the Debtor and Loancare, LLC. In support of this Motion, the Debtor states as follows:

**JURISDICTION AND VENUE**

1. This Court has jurisdiction to consider this Motion pursuant to 28 U.S. C. § 1334.

This is a core proceeding pursuant to 28 U.S. C. § 157(b). Venue is proper in the Middle District of Tennessee pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The basis for the relief requested is codified in section 105(a) of Title 11 of the United States Code (the “Bankruptcy Code” and Rule 9019(a) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

### **PROCEDURAL BACKGROUND**

3. The Debtor filed for Chapter 13 bankruptcy on July 21, 2017, and was assigned case number 3:17-04932. A Chapter 13 plan was confirmed on September 14, 2017 which stated that Defendant Loancare would receive continuing monthly payments and that arrearages would be cured through the plan, pending an allowed proof of claim filed by Defendant.
4. Defendant did not file a proof of claim. As such, the Debtor filed a proof of claim on behalf of the Defendant which was eventually disallowed by order of the Bankruptcy Court dated February 22, 2018.
5. The Debtor filed the underlying Adversary Proceeding, case number 18-ap-90060, in order to determine the extent, priority and validity of Defendant’s lien.
6. The Debtor paid 100% to his general unsecured creditors and received his discharge in the Chapter 13 bankruptcy on June 6, 2018, prior to resolution of the Adversary Proceeding. The Debtor completed his Chapter 13 plan without having made any mortgage payments to Defendant.
7. Defendant filed for Summary Judgment and the Adversary Proceeding was dismissed on Summary Judgment by Memorandum Opinion and Order of this Court dated November 4, 2020.

8. The Debtor filed a timely appeal of the Bankruptcy Court's decision, case number 20-8036, with the Bankruptcy Appellate Panel of the Sixth Circuit. The appeal remains pending.
9. Herewith the filing of the instant motion, the Debtor's Counsel has filed a motion in the Appeal to stay the appeal pending the Bankruptcy Court's approval of the settlement.

### **THE SETTLEMENT AGREEMENT**

10. As part of the Appeal, the parties were required to complete the mediation process.  
  
As a result of successful mediation, the Parties have agreed to settle their dispute.  
  
The Parties acknowledge that their agreement does not in any way concede the validity or sufficiency of any claim or contention of any or all the Parties.
11. The relevant terms of the Settlement Agreement are as follows:
  - a. The Debtor shall sell the Property and close within 120 days of the Effective Date of the Settlement Agreement. As a result, Loancare shall reduce the amount of outstanding interest due and owing on the Loan at the time of the payoff by \$10,000 (ten-thousand dollars).
  - b. If the Debtor does not submit a payoff to Loancare and close the sale within 120 days of the Effective Date of the Settlement Agreement, the Debtor is not entitled to any reduction in the interest due and owing on the loan.
  - c. The Debtor shall pay Flexer Law PLLC attorney fees and costs in the amount of \$5,000.00 upon the closing of the real estate transaction, for the work performed in the Adversary Proceeding and resulting Appeal.

12. The Debtor seeks the entry of an Order approving the Settlement Agreement which will allow the Parties to avoid costly and time-consuming litigation at the Appellate level.

**WHEREFORE**, based on the foregoing, the Debtor respectfully requests that the Court grant the Debtor's request and approve the Settlement Agreement between the Debtor and LoanCare, LLC.

Respectfully submitted,

/s/ Daniel Castagna

Daniel Castagna (BPR # 22721)

*Attorney for Appellant*

Flexer Law PLLC

1900 Church Street, Ste. 400

Nashville, Tennessee 37203

(615) 255-2893 telephone

(615) 242-8849 facsimile

[dan@flexerlaw.com](mailto:dan@flexerlaw.com)

# **DRAFT**

## IN THE UNITED STATES BANKRUPTCY COURT FOR THE MIDDLE DISTRICT OF TENNESSEE

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### **PROPOSED ORDER GRANTING MOTION TO APPROVE SETTLEMENT AGREEMENT**

It appears to the United States Bankruptcy Court for the Middle District of Tennessee that the Debtor filed a Motion to Approve Settlement Agreement and notice of said motion has been given pursuant to L.B.R. 9013-1 to all parties in interest. It further appears to the Court that twenty-one (21) days have elapsed since the date of service of the motion and no responses have been forthcoming from any party in interest.

It is therefore ORDERED as follows:

1. The Settlement Agreement between Debtor and Loancare LLC is approved.

2. The Debtor shall sell the Property and close within 120 days of the Effective Date of the Settlement Agreement. As a result, Loancare shall reduce the amount of outstanding interest due and owing on the Loan at the time of the payoff by \$10,000 (ten-thousand dollars).
3. If the Debtor does not submit a payoff to Loancare and close the sale within 120 days of the Effective Date of the Settlement Agreement, the Debtor is not entitled to any reduction in the interest due and owing on the loan.
4. The Debtor shall pay Flexer Law PLLC attorney fees and costs in the amount of \$5,000.00 upon the closing of the real estate transaction, for the work performed in the Adversary Proceeding and resulting Appeal.

IT IS SO ORDERED.

This order was electronically signed and entered as indicated at the top of the first page

Approved for entry:

/s/ Daniel Castagna  
Daniel Castagna, BPR #022721  
Attorney for Debtor  
1900 Church Street, Suite 400  
Nashville, TN 37203  
(615) 255-2893, fax: (615) 242-8849  
[cm-ecf@jamesflexerconsumerlaw.com](mailto:cm-ecf@jamesflexerconsumerlaw.com)



### **CERTIFICATE OF SERVICE**

I hereby certify that on this the 5th day of May, 2021, I have caused a true and correct copy of the foregoing to be sent by electronic delivery to all parties consenting to service through the Court's CM/ECF system and by U.S. Mail, postage pre-paid, to the following:

Henry E. Hildebrand, III  
Office of the Chapter 13 Trustee  
1800 Church Street, Suite 200  
Post Office Box 340019  
Nashville, Tennessee 37203

Electronic

United States Trustee  
Office of the United States Trustee  
701 Broadway, Suite 318  
Nashville, Tennessee 37203-3966

Electronic

Bret Jacob Chaness  
Rubin Lublin TN, PLLC  
3145 Avalon Ridge Place, Ste. 100  
Peachtree Corners, GA 30071-1570

U.S. Mail First Class

Stephen Jetton Taylor  
2606 Mercer Place  
Thompsons Station, TN 37179

U.S. Mail First Class